



IN REPLY REFER TO:

United States Department of the Interior

FISH AND WILDLIFE SERVICE

Washington, D.C. 20240

DIRECTOR'S ORDER NO. 174

Subject: Plant, Property, and Equipment Financial Management Guidance Handbook

Sec. 1 What is the purpose of this Order? This Order implements the Plant, Property, and Equipment (PP&E) Financial Management Guidance Handbook. The Handbook provides business processes and technical guidance to improve the accuracy and credibility of financial data in the Real Property Inventory (RPI).

Sec. 2 Does this Order supersede other directives? This Order supersedes Director's Order 157, August 13, 2003.

Sec. 3 To whom does the Handbook apply? This guidance is directed specifically to the Regional/CNO Budget and Finance Officers (BFOs) and program offices working on PP&E data management.

Sec. 4 What are the authorities for the guidance?

- a. Real Property Financial Management Policy, Department of the Interior, April 30, 2003.
- b. Statement of Federal Financial Accounting Standards (SFFAS) Number 5, Accounting for Liabilities of the Federal Government.
- c. SFFAS Number 6, Accounting for Property, Plant and Equipment (as amended by SFFAS Numbers 11 and 16).
- d. SFFAS Number 8, Supplementary Stewardship Reporting (as amended by SFFAS Numbers 11 and 16).

Sec. 5 Why are the procedures being implemented? The Handbook provides the guidance necessary to gather, process, and maintain real property and personal property financial data that is consistent, auditable, and accurately represents the status of Service assets. Implementing the processes in the Handbook is crucial to the successful completion of Fiscal Year 2004 comprehensive corrective action plans for real property data cleanup and for tracking capitalized equipment as a result of the FY 2003 financial audit.

Sec. 6 What Service officials are responsible for PP&E financial data?

- a. The Director, through the Chief Financial Officer (CFO), is responsible for the development and issuance of policy, establishment of performance measures and

management controls, and timely reporting of accurate PP&E financial data in the Service's financial statements.

b. The Chief, Division of Financial Management (DFM) is responsible for the coordination and execution of Service activities including periodic review and onsite audit of actual PP&E assets, reconciliation of Construction Work-in-Progress (CWIP) accounts, and maintaining internal controls to ensure accurate reporting of acquisition and disposal of Service personal and real property assets. In addition, the Chief, DFM provides direction to dedicated PP&E staff, whose mission is to provide national direction on the acquisition and management of PP&E financial data. Specifically, this staff will:

- (1) Serve as the national point of contact on financial reporting for PP&E.
- (2) Provide technical assistance to Regional staffs working on PP&E issues.
- (3) Represent the Service on PP&E issues during Financial and Business Management System (FBMS) development.
- (4) Provide training to Regional PP&E staff specialists.
- (5) Conduct periodic performance reviews to ensure that adequate internal controls are in place to protect Service financial assets and ensure that timely and accurate information is used to prepare annual financial statements.
- (6) Ensure Service compliance with financial policy guidance (FASAB 6).
- (7) Provide liaison with KPMG audit staff on all PP&E financial data issues.
- (8) Ensure consistency in PP&E business processes.

c. The Assistant Director–National Wildlife Refuge System is responsible for providing adequate resources to manage and maintain the Service's Real Property Inventory database.

d. The Regional Directors/CNO Manager, through the Assistant Regional Directors/Assistant Manager – Budget and Administration and the Director - National Conservation Training Center, are responsible for ensuring that adequate staff and budgetary resources are allocated in order to implement PP&E policies, prepare step-down Regional guidelines and acquire and manage accurate PP&E data. Regional Directors/CNO Manager are responsible for certain Region 9 facilities not physically located in the Washington metropolitan area such as, but not limited to, the Clark C. Bavin National Forensics Laboratory and the National Eagle Repository.

e. Regional Budget and Finance Officers are responsible for accurate acquisition, management, and reporting of financial data for all Regional PP&E assets. They will serve as Regional point of contact dedicated to managing data quality and implementing PP&E corrective actions and will:

(1) Ensure the completion of accurate financial data for all RPI records including asset additions and deletions, costs for all assets, CWIP data and the capitalized cost of improvements.

(2) Provide technical assistance to field station staffs.

(3) Conduct database queries for quality control purposes and correct records as necessary.

(4) Correct process weaknesses found during reviews.

(5) Manage the PP&E document retention effort.

(6) Share innovations with peers in other Regions.

(7) Institute quality control and assurance measures to ensure periodic verification of existence of Regional assets and proper cost documentation of Regional assets.

f. NWRS and NFHS Assistant Regional Directors are responsible for directing field station staffs to ensure:

(1) The Regional BFO is notified and provided proper documentation of all asset additions and disposals.

(2) The Regional BFO is notified and provided cost documentation of all capitalized improvements to Regional assets accomplished via force account and/or through station procurement.

(3) Assistance is provided to the Regional BFO in periodic review and audit of PP&E financial data and procedures.

(4) Comprehensive condition assessments are conducted in conformance with completion of objectives.

(5) Annual condition assessment and Real Property Inventory updates are conducted annually.

g. Regional/CNO Realty Chiefs will obtain land appraisal documents from the National Business Center (NBC) and provide copies to the Regional BFO in a timely manner.

h. Regional/CNO Engineers will coordinate the development of the Region/CNO's Capitalized Project List (CPL), which is essential to the overall performance of the CWIP process. Regional Engineers will work with the Regional/CNO Budget and Finance Officer and program staffs to establish a process that best facilitates updating the CPL.

i. Regional/CNO NWRS and NFHS staffs will:

(1) Provide a list of deferred maintenance, construction, and other projects to the Regional/CNO BFO or Regional Engineer that could potentially become capitalized assets for inclusion in the Regional Capitalized Project List (CPL).

(2) Coordinate with the Regional Engineer to assign asset numbers to projects managed by the Regional Engineer during the design phase. This is particularly important for contracts including multiple assets.

(3) Serve as liaison with field stations for providing documentation not immediately available to the Regional/CNO BFO to support the financial entries.

Sec. 7 Who is responsible for updating the Handbook? The Chief, Division of Financial Management (DFM), Washington Office, will update the Handbook at least once a year to incorporate necessary modifications and enhancements. Users of the Handbook are encouraged to submit suggestions for improvements to the Chief, DFM through the Regional/CNO Budget and Finance Officer.

Sec. 8 When is this Order effective? This Order is effective immediately. We will incorporate its contents into Part 260 of the Fish and Wildlife Service Manual.

Sec. 9 When does this Order expire? This Order expires September 30, 2005, unless amended, superseded or rescinded.


Deputy
DIRECTOR

Date: July 29, 2004